

RECEIVED
ADJUDICATION SECTION
DEC 10 2020

December 10, 2020

VIA EMAIL

Bureau of Energy Management
Attn: Colette Worcester
1201 Elwood Park Blvd.
New Orleans, Louisiana 70123
Email: Colette.Worcester@boem.gov



Arena Energy, LLC
2103 Research Forest Drive
Suite 400
The Woodlands, TX 77380
281-681-9500
281-681-9503 Fax

RE: Conveyance of Term Overriding Royalty Interest from
Arena Energy, LLC and Arena Exploration, LLC, as Assignor, to
Lime Rock Resources V-A, L.P., as Assignee
dated effective October 1, 2020

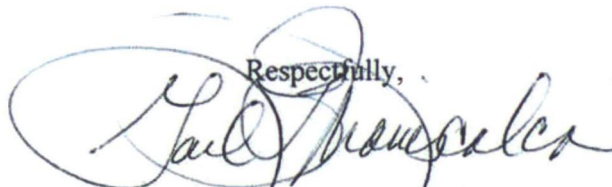
Ladies and Gentlemen:

Attached, submitted by Arena Energy, LLC, is the Conveyance of Term Overriding Royalty Interest from Arena Energy, LLC and Arena Exploration, LLC, as Assignor, to Lime Rock Resources V-A, L.P., as Assignee, dated effective October 1, 2020. Arena Energy, LLC respectfully requests that this document be filed in the Non-Required files for the leases shown, from lowest to highest, on Exhibit A attached hereto.

This letter and document should be placed on your document imaging system under **"Document Type No. 5 Overriding Royalty Interest, Production Payment and Net Profits"**.

Additionally, enclosed are two pay.gov receipts, \$1,450.00 and \$696.00, in the amount totaling \$2,146.00 to cover the associated filing fees.

Should you have any questions, please do not hesitate to contact me at 281-210-3130 or gail@arenaenergy.com.

Respectfully,

Gail B. Maniscalco, CPL
Sr. Landman

Attachments

Exhibit A

OCS/OCS-G Number
456
457
461
462
463
464
465
498
796
977
979
980
981
982
983
989
1106
1240
1241
1248
1260
1572
1899
1960
2111
2112
2118
2318
2613
2624
2625
2705
2914
2955
3197
3229

OCS/OCS-G Number
3237
3331
3336
3782
4452
5040
5505
6093
9637
10638
10741
12088
12802
13964
14342
18292
21592
23969
24878
24883
24910
27851
31369
33607
33608
33636
34033
35938
35951
36118
36119
36200
36207
36208
36209
36211
36212
36227

Execution Version

**CONVEYANCE OF TERM
OVERRIDING ROYALTY INTEREST**

From

ARENA ENERGY, LLC and ARENA EXPLORATION, LLC

as Assignor

to

LIME ROCK RESOURCES V-A, L.P.

as Assignee

Dated Effective October 1, 2020

When recorded please return to:

**Ms. Gail Maniscalco
Arena Energy, LLC
2103 Research Forest Drive, Suite 300
The Woodlands, Texas 77380**

TABLE OF CONTENTS

ARTICLE I CONVEYANCE	1
Section 1.1	Conveyance..... 1
Section 1.2	Special Warranty..... 1
Section 1.3	Disclaimers of Warranty..... 1
Section 1.4	Non-Operating, Non-Expense-Bearing Interest..... 2
Section 1.5	Royalties; Taxes..... 2
Section 1.6	Termination..... 3
Section 1.7	Assignor's Marketing of Term ORRI Hydrocarbons..... 3
Section 1.8	Certain Limitations..... 4
Section 1.9	Measurement..... 4
Section 1.10	No Proportionate Reduction..... 4
Section 1.11	Government Regulation..... 5
ARTICLE II DEFINITIONS	5
Section 2.1	Definitions..... 5
Section 2.2	Rules of Construction..... 12
ARTICLE III MISCELLANEOUS	12
Section 3.1	Purchase and Sale Agreement..... 12
Section 3.2	Governing Law..... 12
Section 3.3	Successors and Assigns..... 13
Section 3.4	Counterpart Execution..... 13
Section 3.5	Further Assurances..... 13
Section 3.6	Certain Agreements..... 13
Section 3.7	Partial Invalidity..... 13
Section 3.8	Waiver of Jury Trial and Special Damages..... 14
Section 3.9	Consent to Jurisdiction..... 14
Section 3.10	Addresses..... 14
Section 3.11	Amendments and Waivers..... 14

Exhibits:

Property Exhibit — Description of Subject Interests

Appendix 1 – Conveyance Supplement

CONVEYANCE OF TERM OVERRIDING ROYALTY INTEREST

This Conveyance of Term Overriding Royalty Interest (this "*Conveyance*"), dated effective October 1, 2020, is made by Arena Energy, LLC, a Delaware limited liability company ("*Arena Energy*"), and Arena Exploration, LLC, a Delaware limited liability company ("*AEX*") (Arena Energy, and AEX are collectively referred to herein as "*Assignor*") to Lime Rock Resources V-A, L.P., a Delaware limited partnership ("*Assignee*").

Assignor is the owner of the Subject Interests (defined below), and Assignor has agreed to convey to Assignee the following described term overriding royalty interest in such Subject Interests.

Capitalized terms used herein have the meanings given to them in Article II hereof unless otherwise defined herein, or the Conveyance Supplement, which is attached hereto as Appendix 1 and incorporated herein, as applicable,

Accordingly, Assignor hereby makes the following conveyance and assignment to, and the following agreements for the benefit of, Assignee:

ARTICLE I **CONVEYANCE**

Section 1.1 **Conveyance.** For and in consideration of One Thousand Dollars (\$1,000.00) and other good and valuable consideration paid by Assignee to Assignor, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby GRANTS, BARGAINS, SELLS, CONVEYS, ASSIGNS, TRANSFERS, SETS OVER AND DELIVERS unto Assignee, a term overriding royalty interest in and to the Subject Interests equal to 1.0% multiplied by the Warranted Net Revenue Interest Percentage of the Subject Hydrocarbons attributable thereto, commencing with the Subject Hydrocarbons produced on and after the Effective Time, together with all rights and appurtenances thereto or otherwise belonging thereto (the "*Term ORRI*").

TO HAVE AND TO HOLD the Term ORRI unto Assignee, its successors and assigns until the Termination Time, subject, however to the covenants, terms and conditions set forth herein and in the Purchase and Sale Agreement, and subject to the Permitted Encumbrances.

Section 1.2 **Special Warranty.** Until the Termination Time, Assignor warrants Good and Defensible Title, without duplication, to the Term ORRI, unto Assignee against every Person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Debtors or Assignor, but not otherwise, subject, however to the Permitted Encumbrances (the "*Special Warranty*").

Section 1.3 **Disclaimers of Warranty**

- (a) EXCEPT AS AND TO THE LIMITED EXTENT EXPRESSLY SET FORTH IN ARTICLE III OF THE PURCHASE AND SALE AGREEMENT OR THE SPECIAL WARRANTY SET FORTH IN SECTION 1.2 HEREOF, (I) ASSIGNOR MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS, STATUTORY

OR IMPLIED, AND (II) ASSIGNOR EXPRESSLY DISCLAIMS ALL LIABILITY AND RESPONSIBILITY FOR ANY REPRESENTATION, WARRANTY, STATEMENT OR INFORMATION MADE OR COMMUNICATED (ORALLY OR IN WRITING) TO ASSIGNEE OR ANY OF ITS AFFILIATES, EMPLOYEES, AGENTS, CONSULTANTS OR REPRESENTATIVES (INCLUDING ANY OPINION, INFORMATION, PROJECTION OR ADVICE THAT MAY HAVE BEEN PROVIDED TO ASSIGNEE BY ASSIGNOR).

- (b) ASSIGNOR AND ASSIGNEE AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE EFFECTIVE, THE DISCLAIMERS OF CERTAIN REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS ASSIGNMENT ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSE OF ANY APPLICABLE LAW.

Section 1.4 **Non-Operating, Non-Expense-Bearing Interest.** The Term ORRI conveyed hereby is a present conveyance of a non-operating, non-expense-bearing, limited term overriding royalty interest, free of cost and expense of production, operations, marketing and delivery of the Term ORRI Hydrocarbons to the applicable Delivery Points to the same extent as the lessor's royalty under each Lease comprising the Subject Interests is free of such costs and expenses. The Term ORRI and the Term ORRI Hydrocarbons will be free and clear of, and in no event will Assignee ever be liable or responsible in any way for payment of, any and all costs, expenses and liabilities associated with acquiring, exploring, developing, drilling, redrilling, maintaining, producing, operating, reworking, repairing, recompleting, marketing, transporting to the Delivery Point and remediating, abandoning, plugging and removing the Subject Interests. All costs and expenses associated with acquiring, exploring, developing, drilling, redrilling, maintaining, producing, operating, reworking, repairing, recompleting, marketing, transporting to the Delivery Point and remediating, abandoning, plugging and removing the Subject Interests will be borne by the Retained Interests and paid by Assignor promptly, on or before the dates the same become delinquent. The Term ORRI and the Term ORRI Hydrocarbons produced from each Lease comprising the Subject Interests shall bear their proportionate share of all transportation, treating, processing, handling and related costs and expenses incurred downstream of the Delivery Point, if and to the same extent that Assignor is entitled to deduct such costs and expenses from the calculation and payment of the lessor's royalty reserved in each such Lease.

Section 1.5 **Royalties; Taxes.** The Term ORRI will be free and clear of (and without deduction of) any and all royalties, overriding royalties, other production payments, and other burdens on production and will bear no part of the same; the Retained Interests will be burdened with, and Assignor will timely pay, all such royalties, overriding royalties, other production payments, and other burdens on production. Assignor will defend, indemnify and hold Assignee harmless from and against any loss or claim with respect to any such royalties and other burdens on production or any claim by the owners or holders of such royalties and other burdens on production. Assignor will bear and pay all Taxes with respect to the Term ORRI and the Term ORRI Hydrocarbons, and the Term ORRI Hydrocarbons will be free of Taxes and delivered without deduction for Taxes.

Section 1.6 Termination.

- (a) The Term ORRI will remain in full force and effect until the Termination Time. At the Termination Time, all rights, titles and interests hereby conveyed to Assignee in the Subject Interests will automatically terminate and vest in Assignor and, upon request by Assignor, Assignee (at Assignor's expense) will execute and deliver such instruments (in recordable form) as may be reasonably necessary to evidence the termination of the Term ORRI, provided that, notwithstanding the foregoing or anything herein to the contrary, any obligations which any Person may have to indemnify, reimburse, or compensate Assignee, or to make payments to Assignee on account of Term ORRI Hydrocarbons produced before the Termination Time, or to give reports or take other actions with respect to such Term ORRI Hydrocarbons or such payments, will survive any termination of the Term ORRI.
- (b) No pipeline company or other Person purchasing, taking or processing Term ORRI Hydrocarbons will be required to take notice of or to keep informed concerning termination of the Term ORRI until actual receipt of a termination instrument signed by or on behalf of Assignee as contemplated in the preceding subsection (a).
- (c) If any individual Subject Interest (or portion thereof, as applicable) should by its terms terminate before the Termination Time and not be extended, renewed or replaced within one (1) year after the termination of such underlying Subject Interest, then the Term ORRI will no longer apply to that particular Subject Interest (or such portion thereof, as applicable), but the Term ORRI will remain in full force and effect and undiminished as to all remaining Subject Interests (and all remaining portions of such Subject Interest, as applicable), as well as to any new lease referred to in the last sentence of the definition of "Lease" in Section 2.1.

Section 1.7 Assignor's Marketing of Term ORRI Hydrocarbons. Assignee hereby designates, constitutes and appoints Assignor as Assignee's agent and attorney in fact to market all Term ORRI Hydrocarbons on behalf of and for the account of Assignee, including the right of Assignor to purchase the Term ORRI Hydrocarbons or any portion thereof for its own account, to sell the Term ORRI Hydrocarbons or any portion thereof to others, or otherwise to dispose of all or part of the Term ORRI Hydrocarbons attributable to each respective Subject Interest at the same price at which Assignor calculates and pays lessor's royalty on its own portion of the Subject Hydrocarbons attributable to such respective Subject Interest; *provided* that any price so used based on a sale between Assignor and any of its Affiliates shall be no less than the price Assignor could have received in an arm's length third party sale. The proceeds payable to ORRI Owner with respect to the Term ORRI burdening each Lease comprising the Subject Interests shall be calculated and paid in the same manner and subject to the same terms and conditions as the lessor's royalty in each such Lease. Any such sale by Assignor of the Term ORRI Hydrocarbons or any portion thereof shall be for such reasonable periods of time as are consistent with the minimum needs of the industry under the circumstances, but in no event shall any contract for such a sale be

for a period in excess of one (1) year, unless it is terminable upon thirty (30) days' or less notice by Assignor following any one (1) year term thereof. Although the Term ORRI Hydrocarbons are owned by Assignee when and as produced at the wellhead, Assignor will be solely responsible for causing delivery thereof to occur at the Delivery Points and for the handling, management and care of the Term ORRI Hydrocarbons until such delivery has been completed. On thirty (30) days' prior written notice to Assignor, Assignee may cancel such appointment of Assignor as Assignee's agent and attorney-in-fact and, thereafter until Assignee reappoints Assignor as such agent and attorney-in-fact, Assignor shall deliver to Assignee the Term ORRI Hydrocarbons, as provided above, to a pipeline or gathering system or other facilities of a Delivery Point Recipient to whom the Term ORRI Hydrocarbons are being sold, or any other point or points mutually agreed to in writing by Assignor and Assignee. Any contract under which Assignor sells the Term ORRI Hydrocarbons shall provide that such contract shall be applicable to the Term ORRI Hydrocarbons after Assignee gives notice to Assignor as provided above and shall provide for the direct payment to Assignee as seller of the Term ORRI Hydrocarbons. During the period Assignee is taking the Term ORRI Hydrocarbons in kind, Assignee shall report to Assignor on a monthly basis the Payments on the sale of such production net of any arms' length marketing expense so that such Payments may be included in the determination of the ORRI Threshold.

Section 1.8 Certain Limitations. Assignee will look solely to the Term ORRI Hydrocarbons for satisfaction and discharge of the Term ORRI, and Assignor will not be personally liable under this Conveyance for the payment and discharge of any estimated or forecast aggregate revenues attributable to the Term ORRI, although Assignor will be obligated and liable for the performance of its representations, warranties, agreements and indemnities in the Term ORRI Documents. Assignor and Assignee acknowledge that the Term ORRI constitutes a speculative investment and there is no certainty or guarantee that the Termination Time will ever occur or that Assignee will receive a return of the amount paid by Assignee for the Term ORRI.

Section 1.9 Measurement. Measurement of the quantities of Subject Hydrocarbons that are Gas will be made by meters located at or near the applicable Delivery Points. All of such measurements must comply with then current testing methods of the American Society for Testing Materials or the American Petroleum Institute. The MMBtu content of such Gas will be determined by industry standard gas analysis samplings taken at least quarterly. Measurement of Subject Hydrocarbons that are Oil will be determined under the applicable agreement with the Delivery Point Recipient (or under the applicable marketing agreement with any Person purchasing such Oil at the Delivery Point) and, if such agreement does not specify measurement procedures, in accordance with generally accepted industry practices in effect at the time and place of delivery using then current testing methods of the American Society for Testing Materials or the American Petroleum Institute. All measurements of Gas or Oil will be subject to the rights of Assignor and Assignee to audit and confirm such measurements.

Section 1.10 No Proportionate Reduction. It is understood and agreed that the Term ORRI Hydrocarbons and the Term ORRI Percentages are determined based on 1.0% times the full Warranted Net Revenue Interest Percentages of the Hydrocarbons produced from (or, to the extent pooled or unitized, allocated to) each of the Subject Interests and they will not be further reduced for any reason. Among other things, the Term ORRI Hydrocarbons and the Term ORRI Percentages will not be reduced due to (a) the undivided working interest owned by Assignor in a Lease being less than the entire working interest in such Lease, or (b) the interest in Hydrocarbons

or other minerals underlying any portion of the Subject Lands which is covered by a particular Lease (or group of Leases) being less than the entire interest in the Hydrocarbons and other minerals underlying such portion of the Subject Lands, except, in each case, to the extent reflected in the Warranted Net Revenue Interest Percentages.

Section 1.11 **Government Regulation.** The obligations of Assignor hereunder will be subject to all applicable Laws. Assignor will timely make all material filings with all applicable agencies, bureaus, and officials having jurisdiction with respect to the Subject Interests, the operation thereof or the Term ORRI prior to or at the time any such filing becomes due.

ARTICLE II **DEFINITIONS**

Section 2.1 **Definitions.** As used herein and in the exhibits hereto, the following terms have the respective meanings ascribed to them below:

"Affiliate" means, with respect to any Person, any other Person that either directly or indirectly controls or manages, is controlled or managed by or is under common control or management with such first Person. For the purposes hereof, "control" means the right or power to direct the policies of another through management authority, equity ownership, delegated authority, voting rights or otherwise. For the avoidance of doubt, Arena Energy and AEX are each deemed to be Affiliates of one another.

"Barrel" means 42 United States standard gallons at 60 degrees Fahrenheit.

"Btu" means a British Thermal Unit.

"Business Day" means any day other than a Saturday, a Sunday or a holiday on which national banking associations in the State of Texas or in the State of New York are closed.

"Central Time" means Central Standard Time or Central Daylight Savings Time in effect in Houston, Texas on the date in question.

"Conveyance Supplement" means that certain Supplement to Conveyance of Term Overriding Royalty Interest which is attached hereto as Appendix 1 and incorporated herein.

"Day" means a period of 24 consecutive hours beginning at 7:00 a.m. Central Time, on each calendar day, and "Daily" has the correlative meaning.

"Debtors" mean, collectively, Arena Energy, LP; Arena Energy 2020 GP, LLC; Arena Energy GP, LLC; Arena Exploration, LLC; Sagamore Hill Holdings, LP, and Valiant Energy L.L.C.

"Delivery Point" means the meter at each point of delivery of Subject Hydrocarbons into a pipeline or gathering system or other facilities of a Delivery Point Recipient, or any other point or points mutually agreed to in writing by Assignor and Assignee, provided that, when Assignor

is the purchaser of any Term ORRI Hydrocarbons from Assignee, the wellheads of the Subject Wells will be the Delivery Points for such Term ORRI Hydrocarbons.

"Delivery Point Recipient" means, at any time with respect to any Subject Interest, the owner of the gathering system or transport pipeline immediately downstream of each applicable Delivery Point.

"Effective Time" means 9:00 a.m., Central Time, on October 1, 2020.

"Gas" means natural gas and other gaseous hydrocarbons, including casinghead gas and the liquid products of gas processing, but excluding condensate and other liquid hydrocarbons removed by conventional mechanical field separation at or near the wellhead.

"Good and Defensible Title" means such title to the Term ORRI that, after giving effect to the Permitted Encumbrances, (a) will entitle ORRI Owner to the Term ORRI on and after the delivery of the Conveyance until the Termination Time, including all rights to the revenues, proceeds and other economic benefits derived therefrom, (b) is free and clear of any encumbrances, liens, security interests, mortgages, pledges, preferential purchase rights (other than those that have been waived), or requirements for consents to assignment (other than those that have been obtained) that would be applicable to or exercisable as a result of the Conveyance and the other Closing Documents, and (c) is free and clear of any defects or other impediments that would materially affect or interfere with the operation, use, possession, ownership or value thereof.

"Hydrocarbons" means Oil and Gas.

"Law" means any statute, law, regulation, ordinance, rule, treaty, judgment, order, decree, permit, concession, franchise, license, agreement or other governmental restriction of the United States or any state or political subdivision thereof. Any reference to a Law includes any amendment or modification to such Law, and all regulations, rulings, and other Laws promulgated under such Law.

"Lease" means (subject to the depth and area limitations described in the Property Exhibit) any oil and gas lease described, referred to or identified in the Property Exhibit, in each case as to all lands and depths described in such lease (or the applicable part or portion of such lands and depths if specifically limited in depth or areal extent in the Property Exhibit), together with any renewal, amendment, ratification or extension of such lease, including any new lease to the extent that such new lease covers any interest covered by any oil, gas and/or mineral lease described, referred to or identified in the Property Exhibit if such new lease is acquired by Assignor or its Affiliates during the term of or within one (1) year after expiration of the predecessor lease (provided that no such new lease will be subject to this Conveyance if such new lease is executed and delivered after the Termination Time).

"Lease Use Hydrocarbons" means any Hydrocarbons that are unavoidably lost in the production thereof or that are used by Assignor or the operator of the Subject Interests or any unit in which the Subject Interests are pooled or unitized in compliance herewith for drilling and production operations conducted prudently and in good faith for the purpose of producing Hydrocarbons from the Subject Interests or from such unit, but only for so long as and to the extent such Hydrocarbons are so used.

"MMBtu" means 1,000,000 Btus.

"Month" means the time period beginning at 7:00 a.m., Central Time, on the first day of each calendar month and ending at 7:00 a.m., Central Time, on the first day of the next succeeding calendar month, and "Monthly" has the correlative meaning.

"Monthly Settlement Date" means, for each Month, the last Business Day of the second following Month.

"Net Revenue Interest" means a percentage share of the Hydrocarbons (and the proceeds thereof) produced and saved from or attributable to a particular Lease, Subject Interest or Subject Well, after deducting all royalties, overriding royalties, non-participating royalties, net profits interests, production payments, and other burdens on or payments out of production, other than the Term ORRI itself.

"Non-Affiliate" means any Person other than Assignor and its Affiliates.

"Non-Consent Hydrocarbons" means those Hydrocarbons produced from a Subject Interest during the applicable period of recoupment or reimbursement pursuant to a Non-Consent Provision covering that Subject Interest, which Hydrocarbons have been relinquished to the consenting party or participating party under the terms of such Non-Consent Provision as the result of an election by Assignor not to participate in the particular operation, and those Hydrocarbons produced from a Subject Interest subsequent to any permanent relinquishment of such Subject Interest by Assignor pursuant to a Non-Consent Provision, provided that such election by Assignor has been made in good faith and as a prudent operator and in compliance with the terms of this Conveyance and any other agreements made in connection herewith by Assignor and Assignee.

"Non-Consent Provision" means a customary contractual provision contained in an applicable Non-Affiliate third-party operating agreement, unit agreement, contract for development or other similar instrument that is a Permitted Encumbrance, which provision covers so-called non-consent operations or sole benefit operations and provides for either: (a) relinquishment of production by a non-consenting or non-participating party during a period of recoupment or reimbursement of costs and expenses of the consenting or participating parties, or (b) permanent forfeiture of a Subject Interest as the result, for example, of a non-consenting or non-participating party's election not to participate in or consent to a lease-saving or similar operation.

"Oil" means crude oil, condensate and other liquid hydrocarbons, including liquid hydrocarbons removed by conventional mechanical field separation at the wellhead but excluding casinghead gas and the products of gas processing.

"Parties" means Assignor and Assignee and **"Party"** means either of them.

"Permitted Encumbrance(s)" means the following with respect to any Subject Interest:

- (a) any mortgage, lien, pledge or security interest now existing or hereafter created with respect to any of the Subject Interests or the products or proceeds thereof under any credit agreement, or any extension, renewal, or

refinancing thereof as long as they do not encumber the Term ORRI or the Term ORRI Hydrocarbons or otherwise adversely affect the rights and benefits of Assignee under the Term ORRI Documents;

- (b) lessors' royalties, overriding royalties, reversionary interests and similar burdens that do not reduce the Warranted Net Revenue Interest Percentage for the applicable Lease, unit, formation, or well;
- (c) operating agreements and unitization, pooling and communitization agreements described in Section 3.1(p) of the Disclosure Schedule to the Purchase and Sale Agreement that (i) are in existence on the date hereof, (ii) do not at any time reduce the share of production from (or, if pooled or unitized, allocated to) any Lease, unit, formation, or well set forth on the Property Exhibit to which Assignor is entitled by virtue of its ownership of the Subject Interests (as calculated before giving effect to this Conveyance) below the Warranted Net Revenue Interest Percentage for such Lease, unit, formation, or well, and (iii) do not at any time increase Assignor's Working Interest in any Lease, unit, formation, or well set forth on the Property Exhibit without a corresponding increase in Assignor's Net Revenue Interest for such Lease, unit, formation, or well;
- (d) contracts and other matters that (i) specifically affect such Subject Interest, (ii) do not at any time reduce the share of production from (or, if pooled or unitized, allocated to) any Lease, unit, formation, or well set forth on the Property Exhibit to which Assignor is entitled by virtue of its ownership of the Subject Interests (as calculated before giving effect to this Conveyance) below the Warranted Net Revenue Interest Percentage for such Lease, unit, formation, or well, and (iii) do not at any time increase Assignor's Working Interest in any Lease, unit, formation, or well set forth on the Property Exhibit without a corresponding increase in Assignor's Net Revenue Interest for such Lease, unit, formation, or well;
- (e) Hydrocarbon sales contracts on normal market terms that: (i) provide for an initial term of one year or less, or (ii) are terminable without penalty upon no more than thirty (30) days' notice to the purchaser, or (iii) are not binding on the Term ORRI;
- (f) liens for Taxes or governmental assessments that are not yet delinquent or are being contested in good faith by appropriate proceedings which effectively delay any enforcement thereof
- (g) operator's and other similar liens or charges arising by Law or contract in the ordinary course of business to the extent securing current accounts payable (owing with respect to goods or services provided with respect to the Subject Interests) that are not more than 30 days past the invoice or due date, whichever is earlier, unless being contested in good faith by appropriate proceedings which effectively delay any enforcement thereof;

- (h) easements, rights-of-way, restrictions, servitudes, permits, surface leases and other rights in respect of surface operations that do not interfere materially with the operation, value or use of such Subject Interest or adversely affect the value of the Term ORRI;
- (i) the 2016 Term ORRI Conveyance, the 2018 Term ORRI Conveyance, and the 2020 Term ORRI Conveyances, together with the "Permitted Encumbrances" identified therein, which ORRI Conveyances are already deducted from and reflected in the Warranted Net Revenue Interests provided on the Property Exhibit, and such Warranted Net Revenue Interests provided on the Property Exhibit shall not be reduced further due to these specific Permitted Encumbrances; and
- (j) All other charges, encumbrances, title defects and irregularities affecting the Subject Interests which taken individually or together: (i) do not reduce the value of the Term ORRI or interfere materially with the operation, value or use of any of the Subject Interests; (ii) do not prevent Assignor from receiving the unencumbered proceeds of Subject Hydrocarbons or the Term ORRI Hydrocarbons, (iii) do not reduce the share of production from (or, if pooled or unitized, allocated to) any Lease, unit, formation, or well set forth on the Property Exhibit to which Assignor is entitled by virtue of its ownership of the Subject Interest (as calculated before giving effect to this Conveyance) below the Warranted Net Revenue Interest Percentage for such Lease, unit, formation, or well and (iv) do not increase Assignor's Working Interest in any Lease or unit set forth on the Property Exhibit without a corresponding increase in Assignor's Net Revenue Interest for such Lease, unit, formation, or well.

"Person" means an individual, corporation, partnership, limited liability company, association, joint stock company, pension fund, trust or trustee thereof, estate or executor thereof, unincorporated organization or joint venture, court or governmental unit or any agency or subdivision thereof, or any other legally recognizable entity.

"Property Exhibit" means the Property Exhibit attached hereto.

"Purchase and Sale Agreement" means the Purchase and Sale Agreement dated effective as of October 1, 2020, between Assignor and Assignee.

"Retained Interests" means the rights and interests retained by Assignor in the Subject Interests after conveyance of the Term ORRI hereunder, including both the rights and interests in the Subject Interests that are retained by Assignor during the term of the Term ORRI and the entire Subject Interests at any time when the Term ORRI has terminated or is otherwise not in effect.

"Special Warranty" has the meaning given such term in Section 1.2.

"Subject Hydrocarbons" means the Hydrocarbons in and under and that may be produced from (or, to the extent pooled or unitized, allocated to) the Subject Lands that are attributable to the Subject Interests (determined after deducting all royalties, overriding royalties, production payments and similar burdens, excluding only the Term ORRI, which burden the Subject Interests as of the Effective Time and are reflected in the Warranted Net Revenue Interest Percentages set out on the Property Exhibit). The Subject Hydrocarbons will not be deemed to include any Lease Use Hydrocarbons or Non-Consent Hydrocarbons attributable to the Subject Interests, and no Lease Use Hydrocarbons or Non-Consent Hydrocarbons will be included in the determination of Term ORRI Hydrocarbons.

"Subject Interests" means:

Subject to the Permitted Encumbrances,

- (a) all of the interests set forth in the Property Exhibit in and to the Leases, units and wells described therein and the other property interests (if any) described in the Property Exhibit.
- (b) all other right, title, interest or claim (of every kind and character, whether legal or equitable and whether vested or contingent) of Assignor in and to (i) any Lease or any such unit or other property interest, (ii) the lands and estates covered by the Leases or by such units and other property interests, and (iii) all other lands and estates now or hereafter pooled, communitized or unitized therewith, or in and to the oil, gas and other minerals that may be produced therefrom or allocated thereto, even though Assignor's interest be incorrectly or incompletely described in, or omitted from, the Property Exhibit, and
- (c) all rights, titles and interests of Assignor in and to, or otherwise derived from, all presently existing or hereafter created oil, gas or mineral unitization, pooling, or communitization agreements, declarations or orders and in and to the properties covered and the units created thereby (including all units formed under orders, rules, regulations, or other official acts of any federal, state, or other authority having jurisdiction, voluntary unitization agreements, designations or declarations, and so-called "working interest units" created under operating agreements or otherwise) relating to the properties described in paragraphs (a) or (b) above in this definition,

all as the same may be relieved of any charges or encumbrances to which any of the same may be subject on the date hereof, and any and all renewals and extensions of any of the same, but limited in each instance to those areas specified on the Property Exhibit and to the Warranted Net Revenue Interest Percentage for such Lease, unit, formation, or well as stated on the Property Exhibit.

"Subject Lands" means all lands to the extent subject to each Lease or portion thereof that is described in the Property Exhibit, but limited in each instance to those areas and depth intervals therein if specifically so-limited on the Property Exhibit.

"Subject Wells" means all wells producing from the Subject Interests identified in the Property Exhibit.

"Taxes" means all ad valorem, property, gathering, transportation, pipeline regulating, gross receipts, severance, production, excise, heating content, carbon, environmental, occupation, sales, use, value added, fuel, franchise, and other taxes and governmental charges and assessments imposed on or as a result of all or any part of the Subject Interests, the Hydrocarbons produced from Subject Interests or the proceeds thereof, the Term ORRI, the Term ORRI Hydrocarbons or the proceeds thereof, regardless of the point at which or the manner in which or the Person against whom such taxes, charges or assessments are charged, collected, levied or otherwise imposed. Interest, penalties and withholding obligations owing to governmental authorities with respect to any Taxes also constitute Taxes. The only taxes which are not included in Taxes, as defined herein, are federal and state income and franchise taxes imposed on Assignee's income derived from the proceeds of the Term ORRI or Assignee's business generally.

"Term ORRI" has the meaning given such term in Section 1.1.

"Term ORRI Hydrocarbons" means the Subject Hydrocarbons that are attributable to the Term ORRI.

"Term ORRI Percentage" means, as to each Subject Interest (or any portion of a Subject Interest that has a different Warranted Net Revenue Interest Percentage from another portion of such Subject Interest) 1.0% multiplied times the Warranted Net Revenue Interest Percentage for such Subject Interest.

"Termination Time" means the occurrence of the ORRI Threshold as such term is defined in the Conveyance Supplement.

"Warranted Net Revenue Interest Percentage" means the percentage set forth on the Property Exhibit indicating Assignor's warranted Net Revenue Interest in a particular Lease, unit, formation, or well, generally by reference to "Net Revenue Interest," "NRI," "NRI Percentage" or words of similar import.

"Warranted Working Interest Percentage" means the percentage set forth on the Property Exhibit indicating Assignor's warranted Working Interest in a particular Lease, unit, formation, or well, generally by reference to "Working Interest," "WI," "WI Percentage" or words of similar import.

"Working Interest" means the interest owned in oil and gas leases, leaseholds, contracts or other oil and gas interests (including leasehold interests, operating rights interests or other cost-bearing interests, and mineral fee or ownership interests) that determines the percentage share of costs borne by the owner of such interest.

"2016 Term ORRI Conveyance" means that certain Conveyance of Term Overriding Royalty Interest, dated effective September 1, 2016, from Arena Energy, LP, a Delaware limited partnership, Arena Offshore I, LP, a Delaware limited partnership, Arena Offshore II, LP, a Delaware limited partnership, Arena Offshore III, LP, a Delaware limited partnership, Arena

Exploration, LLC, a Delaware limited liability company, as Assignors, to Lime Rock Resources IV-A, L.P., a Delaware limited partnership, as Assignee.

"2018 Term ORRI Conveyance" means that certain Conveyance of Term Overriding Royalty Interest, dated effective July 1, 2018, from Arena Energy, LP, a Delaware limited partnership, and Arena Exploration, LLC, a Delaware limited liability company, collectively as Assignors, to Lime Rock Resources IV-A, L.P., a Delaware limited partnership, as Assignee.

"2020 Term ORRI Conveyances" means those certain Conveyance of Overriding Royalty Interest, dated effective October 1, 2020, from Arena Energy, LLC, a Delaware limited liability company, and Arena Exploration, LLC, a Delaware limited liability company, collectively as Assignors, to Lime Rock Resources IV-A, L.P., a Delaware limited partnership, as Assignee of one conveyance, and Arena Gulf Holdings, L.P., a Delaware limited partnership, as Assignee of the other conveyance.

Section 2.2 Rules of Construction. All references in this Conveyance to articles, sections, subsections and other subdivisions refer to corresponding articles, sections, subsections and other subdivisions of this Conveyance unless expressly provided otherwise. Titles appearing at the beginning of any of such subdivisions are for convenience only, do not constitute part of such subdivisions, and are to be disregarded in construing the language contained in such subdivisions. The words ***"this Conveyance"***, ***"this instrument"***, ***"herein"***, ***"hereof"***, ***"hereunder"*** and words of similar import refer to this Conveyance as a whole and not to any particular subdivision unless expressly so limited. Unless the context otherwise requires: "including" and its grammatical variations mean ***"including without limitation"***; "or" is not exclusive; words in the singular form include the plural and vice versa; words in any gender include all other genders; references herein to any instrument or agreement refer to such instrument or agreement as it may be from time to time amended or supplemented; and references herein to any Person include such Person's successors and assigns. All references in this Conveyance to exhibits and schedules refer to exhibits and schedules to this Conveyance unless expressly provided otherwise, and the Property Exhibit and all other exhibits and schedules to this Conveyance are hereby incorporated herein by reference and made a part hereof for all purposes. This Conveyance has been drafted with the joint participation of Assignor and Assignee and is to be construed neither against nor in favor of either Party but rather in accordance with the fair meaning hereof.

ARTICLE III MISCELLANEOUS

Section 3.1 Purchase and Sale Agreement. This Conveyance is subject to the Purchase and Sale Agreement in all respects. In the event of any conflict between this Conveyance and the Purchase and Sale Agreement, the Purchase and Sale Agreement shall control; provided, that nothing in the Purchase and Sale Agreement shall detract from or prevent the grant of the Term ORRI on the terms set forth in this Conveyance.

Section 3.2 Governing Law. THIS CONVEYANCE, INsofar as it pertains to THE TERM ORRI BURDENING ANY LEASE, IS TO BE GOVERNED BY AND

CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE (EITHER LOUISIANA OR TEXAS) THAT IS DEEMED TO BE THE "ADJACENT STATE" (AS REFERENCED IN §1333(a)(2)(A) OF THE OUTER CONTINENTAL SHELF LANDS ACT, 43 U.S.C. 1331 et seq.) TO THE GULF OF MEXICO, OUTER CONTINENTAL SHELF LEASE BLOCK, OR PORTION THEREOF, THAT IS COVERED BY SUCH LEASE.

Section 3.3 Successors and Assigns. The covenants, provisions and conditions contained in this Conveyance are agreed and acknowledged to be covenants running with the land and the respective interests of Assignor and Assignee and will be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and permitted assigns, subject to the restrictions on assignment set forth in Section 4.1 of the Conveyance Supplement.

Section 3.4 Counterpart Execution. This Conveyance is executed in multiple originals all of which constitute one and the same Conveyance; provided, however, in order to facilitate recording of this Conveyance in the public records of each of the jurisdictions adjacent to the various Subject Interests located in the Gulf of Mexico, Outer Continental Shelf, the exhibits attached to a counterpart recorded in a single jurisdiction may contain only those pages (or portions thereof) which apply to the Subject Interests that are located adjacent to such jurisdiction, or at Assignee's election, the complete Property Exhibit and other exhibits related to the Subject Interests may be filed in each jurisdiction.

Section 3.5 Further Assurances. Assignor will take all such further actions and will execute, acknowledge and deliver all such further documents that may reasonably be requested by Assignee to effectuate this Conveyance or to carry out the purposes of this Conveyance.

Section 3.6 Certain Agreements, Contracts and Other Documents. Certain agreements, contracts and other documents are listed in the Property Exhibit. References herein or in the Property Exhibit to such documents are without regard to whether or not any such document is valid, subsisting, legal or enforceable or affects or is senior to the Term ORRI. Such references are not intended to constitute and do not constitute any express or implied recognition, ratification or acknowledgment by any Party as to the validity, legality, enforceability or priority of the same or of any term, provision or condition thereof or the applicability or seniority thereof to the Term ORRI and do not revive or ratify the same or create any rights in any third Person. No provision in this Conveyance may be construed as an agreement or expression of intent by Assignee to acquire the Term ORRI subject to any unrecorded Permitted Encumbrance. Additionally, the inclusion of such agreements, contracts and other documents in the Property Exhibit is for informational purposes only and none of such agreements, contracts and other documents constitute Permitted Encumbrances except to the extent they are included in the definition of Permitted Encumbrances set forth above.

Section 3.7 Partial Invalidity. Except as otherwise expressly stated herein, in the event any term or provision contained in this Conveyance is for any reason held invalid, illegal or unenforceable to any extent by a court or regulatory agency of competent jurisdiction, such term or provision will otherwise remain effective and be enforced, and all other terms and provisions hereof will nevertheless remain effective and will be enforced, to the fullest extent permitted by applicable Law.

Section 3.8 Waiver of Jury Trial and Special Damages. EACH PARTY HEREBY RATIFIES AND CONFIRMS ITS WAIVERS OF JURY TRIAL AND SPECIAL DAMAGES MADE IN SECTION 8.9 OF THE PURCHASE AND SALE AGREEMENT.

Section 3.9 Consent to Jurisdiction. EACH PARTY HEREBY RATIFIES AND CONFIRMS ITS CONSENT TO AND AGREEMENTS CONCERNING JURISDICTION, FORUM AND VENUE MADE IN SECTION 8.10 OF THE PURCHASE AND SALE AGREEMENT.

Section 3.10 Addresses. The addresses of Assignee and Assignor are as follows:

To Assignee, addressed to:

Lime Rock Resources V-A, L.P.
1111 Bagby Street, Suite 4600
Houston, Texas 77002
Attention: Eric Mullins
Telephone: 713-292-9511
Facsimile: 713-292-9561
Email: emullins@limerockresources.com

To Assignor, addressed to:

Arena Energy, LLC
2103 Research Forest Drive, Suite 400
The Woodlands, Texas 77380
Attention: Michael J. Minarovic
Fax No. (281) 681-9503
Phone No. (281) 210-3101
Email: mike@arenaenergy.com

With a copy to:

Lime Rock Resources V-A, L.P.
1111 Bagby Street, Suite 4600
Houston, Texas 77002
Attention: Debra Sandefer
Telephone: 713-292-9536
Facsimile: 713-292-9586
Email: dsandefer@limerockresources.com

All notices, requests, demands, instructions and other communications required or permitted to be given hereunder must be in writing and must be given as provided in the Purchase and Sale Agreement.

Section 3.11 Amendments and Waivers. This Conveyance may not be amended or modified, and no rights hereunder may be waived, except by a written document signed by the Party to be charged with such amendment, modification or waiver. Provisions of this Conveyance that refer to any consent, approval, amendment or waiver by either Party require such consent, approval, amendment or waiver to be in writing.

[Signatures on next pages]

IN WITNESS WHEREOF, Assignor and Assignee have each executed this Conveyance on the dates set forth in their respective acknowledgments below and Assignor has delivered this Conveyance to Assignee as the transfer and conveyance to Assignee of a presently vested property interest, to be effective with respect to production of Subject Hydrocarbons as of the Effective Time.

WITNESSES TO ALL SIGNATURES:

ASSIGNOR:

ARENA ENERGY, LLC

By: San Juan Offshore, LLC

Its sole Managing Member

Printed Name: Scott B. Ekstra

By:

Name: Christopher A. Capsimalis SDB

Title: Senior Vice President, Business Dev.

Printed Name: Rachelle TAYLOR

ARENA EXPLORATION, LLC

By: Arena Energy, LLC

Its sole Managing Member

By: San Juan Offshore, LLC

Its sole Managing Member

By:

Name: Christopher A. Capsimalis SDB

Title: Senior Vice President, Business Dev.

Assignor Signature Page — Conveyance of Term Overriding Royalty Interest

WITNESSES:

Debra Sandefer
Printed Name: Debra Sandefer

Carla Martin
Printed Name: CARLA MARTIN

ASSIGNEE:

LIME ROCK RESOURCES V-A, L.P.

By: Lime Rock Resources GP V, L.P., its general partner

By: LRR GP V, LLC, its general partner

By: Eric Mullins

Name: Eric Mullins

Title: co- Chief Executive Officer

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF MONTGOMERY

On this 22nd day of October 2020 before me appeared Christopher A. Capsimalis to me personally known, who, being sworn, did declare and acknowledge to me, Notary, and the undersigned competent witnesses, that he is the Senior Vice President, Business Development of San Juan Offshore, LLC, a Delaware limited liability company, the sole Managing Member of Arena Energy, LLC, a Delaware limited liability company, and that said instrument was signed on behalf of said limited liability company, and said appearer acknowledged said instrument to be the free act and deed of said limited liability company.


IN WITNESS WHEREOF, said appearer has executed these presents together with me, Notary, and the undersigned competent witnesses, in the County and State aforesaid, on the date first above written.

WITNESSES:


Printed Name: Scott Borkstra


Printed Name: Rachelle Taylor

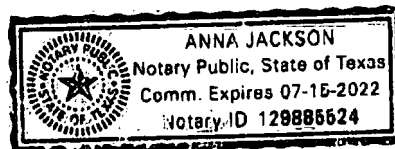
By: 
Name: Christopher A. Capsimalis SOB


NOTARY PUBLIC

State of Texas, County of Montgomery

MY COMMISSION EXPIRES: 7/15/2022

Printed Name: Anna Jackson



ACKNOWLEDGMENT


STATE OF TEXAS

PARISH/COUNTY OF MONTGOMERY

On this 22nd day of October 2020, before me personally appeared Christopher A. Capsimalis to me personally known, who, being by me duly sworn, did say that he is the Senior Vice President, Business Development of San Juan Offshore, LLC, a Delaware limited liability company, the sole Managing Member of Arena Energy, LLC, a Delaware limited liability company, which is the sole Managing Member of Arena Exploration, LLC, a Delaware limited liability company, and said appearer acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that the foregoing instrument was signed on behalf of said limited liability company by authority of its authorizing body, and said appearer acknowledged said instrument to be the free act and deed of said limited liability company.

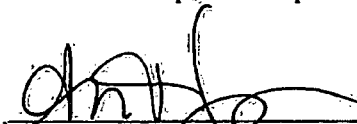
IN WITNESS WHEREOF, said appearer has executed these presents together with me, Notary, and the undersigned competent witnesses, in the County and State aforesaid, on the date first above written.

WITNESSES:


Printed Name: Scott Brueckner


Printed Name: Rachelle Taylor

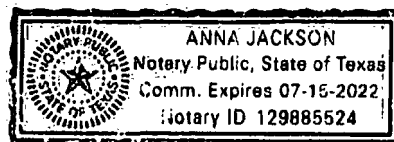
By: 
Name: Christopher A. Capsimalis SOB


NOTARY PUBLIC

State of Texas, County of Montgomery

MY COMMISSION EXPIRES: 7/15/2022

Printed Name: Anna Jackson



ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF HARRIS

On this 22nd day of October 2020, before me appeared Eric Mullins, to me personally known, who, being sworn, did declare and acknowledge to me, Notary, and the undersigned competent witnesses, that he is an co-Chief Executive Officer of Lime Rock Resources V-A, L.P., a Delaware limited partnership, and that said instrument was signed on behalf of said limited partnership and said appearer acknowledged said instrument to be the free act and deed of said limited partnership.

IN WITNESS WHEREOF, said appearer has executed these presents together with me, Notary, and the undersigned competent witnesses, in the County and State aforesaid, on the date first above written.

WITNESSES:

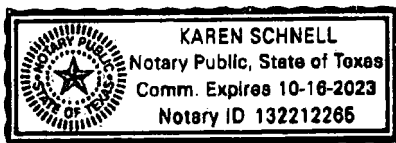
Carla Martin
Printed Name: CARLA MARTIN

Delora Sandefer
Printed Name: Delora Sandefer

By: Eric Mullins
Name: Eric Mullins

Karen Schnell
NOTARY PUBLIC

State of Texas, County of Harris



MY COMMISSION EXPIRES: 10/16/2023

Printed Name: Karen Schnell

PROPERTY EXHIBIT

PROPERTY EXHIBIT

Attached to and made a part of that certain
Conveyance of Term Overriding Royalty Interest from
Arena Energy, LLC and Arena Exploration, LLC, as Assignor
to Lime Rock Resources V, L.P., as Assignee

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
East Cameron 328	OCS-G 10638	5,000	All of Block 328, East Cameron Area, South Addition, INSO FAR AND ONLY INSO FAR as said lease covers and affects operating rights attributable to depths from the surface of the earth down to and including 100 feet below the deepest stratigraphic equivalent of 3,515 feet (MD) as encountered in the Zilkha Energy Company, OCS-G 10638 Well No. 1	48.00000%	35.44782% BPO 35.11982% APO
			All of Block 328, East Cameron Area, South Addition, INSO FAR AND ONLY INSO FAR as said lease covers depths from below 100 feet below the deepest stratigraphic equivalent of 3,515 feet (MD) as encountered in the Zilkha Energy Company, OCS-G 10638 Well No. 1 down to the stratigraphic equivalent of the base of the HB-5 sand, the base of which is seen at a depth of 4,195 feet (TVD) in the Mesa Petroleum Co. OCS-G 2255 Well No. A-22, located in East Cameron Block 323	48.00000%	35.44782% BPO 35.11982% APO
Eugene Island 38	OCS-G 24883	1,241.68	That portion of Block 38, Eugene Island Area, OCS Leasing Map, Louisiana Map No. 4, seaward of the 1975 Supreme Court Decree Line containing approximately 4,378.23 acres, INSO FAR AND ONLY INSO FAR, as said operating rights cover and effect the Southeast Quarter (SE/4) of Eugene Island Block 38, limited as to depths from the surface to 11,500 feet true vertical depth subsea	54.05000%	40.78834%
Eugene Island 99	OCS-G 31369	5,000	All of Block 99, Eugene Island Area	98.00000%	61.57534%
Eugene Island 100	OCS- 00796	5,000	All of Block 100, Eugene Island Area (except the well ownership listed below)	98.00000%	72.01840%
			Wells producing prior to Arena's acquiring 1/1/13	98.00000%	72.89312%
			OCS-G 00796 EI 100 #43 and #44 Wells	98.00000%	72.01840%

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
Eugene Island 174	OCS-G 03782	1,250	SW1/4 of Block 174, Eugene Island Area, INSOFAR AND ONLY INSOFAR as operating rights from the surface down to the stratigraphic equivalent of 100' below a true vertical depth of 10,960' as encountered in the Newfield Exploration Company OCS-G 3782 Well No. A-10	68.00000%	50.57890%
Eugene Island 182	OCS-G 04452	5,000	All of Block 182, Eugene Island Area (except the well ownership below) OCS-G 04452 EI 182 K-1 Well	98.00000% 79.48500%	68.51953% 55.73543%
Eugene Island 214	OCS-G 977*	3,125	All of Block 214, Eugene Island Area	98.00000%	72.89312%
Eugene Island 229	OCS-G 5505*	5,000	All of Block 229, Eugene Island Area	98.00000%	72.89313%
Eugene Island 230	OCS-G 979*	5,000	All of Block 230, Eugene Island Area	98.00000%	72.89312%
Eugene Island 231	OCS-G 980*	5,000	All of Block 231, Eugene Island Area	98.00000%	72.89312%
Eugene Island 237	OCS-G 981	5,000	All of Block 237, Eugene Island Area	98.00000%	72.01840%
Eugene Island 238	OCS-G 982	5,000	All of Block 238, Eugene Island Area	98.00000%	72.01840%
Eugene Island 251	OCS-G 03331	5,000	All of Block 251, Eugene Island Area	98.00000%	66.77009%
Eugene Island 252	OCS-G 983*	5,000	All of Block 252, Eugene Island Area	98.00000%	72.01840%
Eugene Island 253	OCS-G 35938	156.25	W1/2SW1/4NW1/4 of Block 253, Eugene Island Area	98.00000%	77.23625%
Eugene Island 253	OCS-G 10741	4,843.75	NE1/4; E1/2NW1/4; NW1/4NW1/4; E1/2SW1/4NW1/4; S1/2 of Block 253, Eugene Island Area	98.00000%	72.89312%

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
Eugene Island 254	OCS-G 36207	5,000	All of Block 254, Eugene Island Area	98.00000	75.26260%
Eugene Island 261	OCS-G 36208	5,000	All of Block 261, Eugene Island Area	98.00000%	76.78676%
Eugene Island 262	OCS-G 36209	5,000	All of Block 262, Eugene Island Area	98.00000%	77.38513%
Eugene Island 275	OCS-G 24910*	5,000	All of Block 275, Eugene Island Area, South Addition	98.00000%	72.89312%
Eugene Island 276	OCS-G 989*	5,000	All of Block 276, Eugene Island Area, South Addition	98.00000%	72.89312%
			All of Block 276, Eugene Island Area, South Addition, limited to those depths below 13,000' TVD	64.66700%	52.27249%
Eugene Island 314	OCS-G 02111	2,500	S/2 of Block 314, Eugene Island Area, South Addition less and except 25,000' SSTVD to 99,999' SSTVD (except well ownership below)	98.00000%	65.93108%
			Wells producing in sands deeper than the K-1	98.00000%	61.03108%
			Wells producing in the I-1 RB Sand	98.00000%	63.95948%
			Wells producing in the I-2 RB Sand	98.00000%	64.25951%
			Wells producing in the FRB Sand	98.00000%	64.54666%
			Wells producing in the LRC Sand	98.00000%	65.93108%
Eugene Island 314	OCS-G 33636	2,500	N/2 of Block 314, Eugene Island Area, South Addition	98.00000%	64.10875%
Eugene Island 315	OCS-G 02112	2,500	S/2 of Block 315, Eugene Island Area, South Addition	50.00000%	33.62010%
			S/2 of Block 315, Eugene Island Area, South Addition, from 7,759' TVDSS to 25,000' SSTVD	50.00000%	33.62010%
Eugene Island 316	OCS-G 05040	Contractual	OCS 05040 #A-13ST	8.50000%	5.71542%

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
Eugene Island 320	OCS-G 36211	5,000	All of Block 320, Eugene Island Area, South Addition	98.00000%	77.012039%
Eugene Island 324	OCS-G 36118	5,000	All of Block 324, Eugene Island Area, South Addition	98.00000%	77.012039%
Eugene Island 325	OCS-G 36119	5,000	All of Block 325, Eugene Island Area, South Addition	98.00000%	77.012039%
Eugene Island 332	OCS-G 02613	5,000	All of Block 332, Eugene Island Area, South Addition less and except 25,000' SSTVD to 99,999' SSTVD	98.00000%	65.93108%
			NW of Block 332, Eugene Island Area, South Addition, insofar and only insofar as said lease covers from the surface down to 13,100 feet subsea TVD below the surface	98.00000%	65.93108%
Eugene Island 338	OCS-G 02118	5,000	All of Block 338, Eugene Island Area, South Addition	98.00000%	66.19886%
Eugene Island 339	OCS-G 02318	5,000	All of Block 339, Eugene Island Area, South Addition (except well and sand ownership below)	98.00000%	66.66152% BPO 64.78426% APO
			OCS-G 2318 EI 339 K-2 Well	98.00000%	66.23564% BPO 65.00918% APO
			4500' Gas Unit	98.00000%	66.23253% BPO 65.10976% APO
			4500 Oil Unit	98.00000%	66.22023% BPO 65.50740% APO
Eugene Island 340	OCS-G 36212	5,000	All of Block 340, Eugene Island Area, South Addition	98.00000%	77.012039%
Eugene Island 341	OCS-G 02914	5,000	All of Block 341, Eugene Island Area, South Addition	98.00000%	62.45006%

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
Galveston 192	OCS-G 3229	5,760	All of Block 192, Galveston Area, as shown on OCS Official Leasing Map, Texas Map No. 6	98.00000%	73.13021%
Galveston 209	OCS-G 6093	5,760	All of Block 209, Galveston Area, as shown on OCS Official Leasing Map, Texas Map No. 6	98.00000%	73.13021%
High Island 193	OCS-G 3237	5,760	All of Block 193, High Island Area, as shown OCS Official Leasing Map, Texas Map No. 7	98.00000%	73.13021%
High Island A-547	OCS-G 2705	5,760	All of Block A 547, High Island, South Addition	98.00000%	67.15611%
			N2NE from the surface to 100' below the stratigraphic equivalent of the true vertical depth subsea (TVDSS) of the Arena Offshore, LP HI A-547 C001 well, ST00BP01 (42-709- 41168-01) being 15,198' TVDSS; and the NENW from below 3,500' TVDSS to 100' below the stratigraphic equivalent of the true vertical depth subsea (TVDSS) of the Arena Offshore, LP HI A-547 C001 well, ST00BP01 (42-709-41168-01) being 15,198' TVDSS.	83.00000%	42.06047%
			N2NW of Block A-547, High Island Area, South Addition, INSO FAR AND ONLY INSO FAR AS the operating rights cover the depths from the surface to the subsea depth of 3,500'	34.41296%	25.59661%
Main Pass 120	OCS-G 03197	4,994.55	All of Block 120, Main Pass Area	67.80000%	48.61465%
			All of Block 120, Main Pass Area, INSO FAR AND ONLY INSO FAR as said operating rights pertain to all depths from surface to and including 8,000 SSTVD	67.80000%	48.61465%
			All of Block 120, Main Pass Area, INSO FAR AND ONLY INSO FAR AS said lease covers and affects depths below 8,000' TVD subsea	67.80000%	47.37829%
			Wells producing prior to May 9, 2007	67.80000%	49.21982%

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
Main Pass 121	OCS-G 23969	4,994.55	All of Block 121, Main Pass Area	67.80000%	47.40433%
			All of Block 121, Main Pass Area, INSO FAR AND ONLY INSO FAR as said operating rights cover from 6,500' TVD down to 50,000' TVD	32.90000%	21.88453%
Main Pass 122	OCS-G 13964	3,902	N/2; N/2S/2; N/2SE/4SE/4 of Block 122, Main Pass Area	67.80000%	48.61466%
Main Pass 123	OCS-G 12088	4,994.57	All of Block 123, Main Pass Area	73.00000%	54.29794%
			All of Block 123, Main Pass Area, from the surface to 100' below the stratigraphic equivalent of the deepest depth drilled and logged (7,233 feet TVD) in the Humble Oil and Refining No. 1 OCS-G 1630	98.00000%	74.50627%
Main Pass 236	OCS-G 02955	3,277.69	N/2; N/2SW/4; N/2SW/4SW/4 of Block 236, Main Pass Area, South and East Addition	67.80000%	48.61465%
			N/2; N/2 SW/4; and N/2 SW/4 SW/4 of Block 236, Main Pass Area, South & East Addition, OCS Official Leasing Map, Louisiana Map No. 10A, INSO FAR AND ONLY INSO FAR as said lease covers all depths from surface to 99,999' TVD subsea	67.80000%	48.61465%
Mississippi Canyon 800	OCS-G 18292	5,760	All of Block 800, Mississippi Canyon	12.50000%	10.82240%
South Marsh 192	OCS-G 24878	5,000	All of Block 192, South Marsh Island Area, South Addition	98.00000%	60.46855%

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
South Timbalier 35	OCS-G 3336	5,000	All of Block 35, South Timbalier Area	98.00000%	71.82517%
			All of Block 35, South Timbalier Area, INSOFAR AND ONLY INSOFAR as the N1/2NE1/4, limited to depths from the stratigraphic equivalent of the top of E-3 Sand as encountered at 14,560' MD in the South Timbalier Block 35 OCS-G 3336 Well No. D-1 down to the stratigraphic equivalent of 100' below 15,500' MD as found on the Array Induction Imager Dipole Sonic Compensated Neutron log of the South Timbalier Block 36 OCS-G 2624 Well No. 2.	48.00000%	35.27432%
			All of Block 35, South Timbalier Area, INSOFAR AND ONLY INSOFAR as the SE1/4NE1/4 and the SE1/4SW1/4NE1/4, limited to depths from the stratigraphic equivalent of the top of E-3 sand as encountered at 14,682' MD on the Array Induction/Three Detector Density Compensated Neutron GR log of the South Timbalier Block 35 OCS-G 3336 No. 7 down to the stratigraphic equivalent of 100' below 15,814' MD as found on the aforesaid log in the aforesaid well.	98.00000%	78.26607%
South Timbalier 36	OCS-G 2624*	5,000	All of Block 36, South Timbalier Area	98.00000%	72.58457%
			Block 36, South Timbalier Area, INSOFAR AND ONLY INSOFAR as the N1/2NW1/4, limited to depths from the stratigraphic equivalent of the top of the E-3 Sand as encountered at 14,560' MD in the South Timbalier Block 35 OCS-G 3336 Well No. D-1 down to the stratigraphic equivalent of 100' below 15,500' MD as found on the Array Induction Imager Dipole Sonic Compensated Neutron log of the South Timbalier Block 36 OCS-G 2624 Well No. 2	50.00000%	35.56196% BPO 35.55141% APO

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
South Timbalier 37	OCS-G 2625	5,000	NE1/4NE1/4;E1/2SE1/4NE1/4; N1/2NW1/4NE1/4 of Block 37, South Timbalier Area (625 acres)	98.00000%	72.45988% BPO 72.43879% APO
			NE1/4NE1/4;E1/2SE1/4NE1/4; N1/2NW1/4NE1/4 of Block 37, South Timbalier Area, as to all depths from 18,000 feet total vertical depth subsea down to 99,999 feet total vertical depth.	81.33333%	60.13677% BPO 60.11927% APO
			S1/2NW1/4NE1/4;SW1/4NE1/4; W1/2SE1/4NE1/4; NW1/4; SW1/4; SE1/4 of Block 37, South Timbalier Area (4,375acres)	98.00000%	72.60825% BPO 72.58716% APO
			S1/2NW1/4NE1/4;SW1/4NE1/4; W1/2SE1/4NE1/4; NW1/4; SW1/4; SE1/4 of Block 37, South Timbalier Area, as to all depths from 18,000 feet total vertical depth subsea down to 99,999 feet total vertical depth subsea.	64.66667%	47.81367% BPO 47.79975% APO
South Timbalier 38	OCS-G 9637	5,000	All of Block 38, South Timbalier Area less and except the NWNWNW; E2NWNW; NENW; NWNWNE from 12,100' to 16,603' TVD	98.00000%	71.14369%
			NWNWNW; E2NWNW; NENW; NWNWNE from 12,100' to 16,603' TVD	0.00000%	10.33333%
South Timbalier 51	OCS-G 1240	3,772.18	All of Block 51, South Timbalier and Bay Marchand Areas, as shown on OCS Leasing Map, LA6	98.00000%	72.89312%
South Timbalier 52	OCS-G 1241	3,772.18	All of Block 52, South Timbalier Area	98.00000%	67.42613%

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
South Timbalier 128	OCS-G 00498	5,000	All of Block 128, South Timbalier Area less and except tract ownership below	98.00000%	72.67031% BPO 64.72909% APO
			Wells producing in the 333.82-acre tract	98.00000%	65.61859%
			Wells producing in the 12.847-acre tract	98.00000%	64.72909%
			Wells producing in the 306.18-acre tract	98.00000%	65.60381%
South Timbalier 129	OCS-G 00465	5,000	All of Block 129, South Timbalier Area	98.00000%	72.67031% BPO 64.72909% APO
South Timbalier 130	OCS-G 00456	5,000	All of Block 130, South Timbalier Area	98.00000%	72.01840%
South Timbalier 131	OCS-G 00457	2,148.46	All of Block 131, South Timbalier Area	98.00000%	72.01840%
			All of ST 131, South Timbalier Area, INSOFAR AND ONLY INSOFAR as said operating rights cover and affect the NE/4SE/4 of Block 131, South Timbalier Area, limited as to depth from the top of the C-3 Sand, which depth is 7,452' MD (5,994' TVD) to the deepest depth drilled, which depth is 8,297' MD (6,760' TVD), in well OCS-G 5660 AA6 ST#1	98.00000%	72.01840%
			NE/4 of SE/4 of ST 131, South Timbalier Area, from the surface down to 5,994' TVDSS	98.00000%	72.01840%
South Timbalier 131	OCS-G 00457	2,148.46	N/2; SW/4; S/2SE/4; NW/4SE/4 of Block 131, South Timbalier Area, from the surface down to and including 25,000' TVDSS	98.00000%	72.01840%
South Timbalier 134	OCS-G 00461	5,000	All of Block 134, South Timbalier Area	98.00000%	72.67031% BPO 64.72909% APO

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
South Timbalier 135	OCS-G 00462	5,000	All of Block 135, South Timbalier Area less and except tract ownership below	98.00000%	72.67031% BPO 64.72909% APO
			Wells producing in the 53.333-acre tract	98.00000%	64.72909%
South Timbalier 148	OCS-G 01960	2,500	E/2 of Block 148, South Timbalier Area	38.00000%	28.26468%
			W/2SE/4;NW1/4SE1/4SE1/4; S1/2SE1/4SE1/4; SW1/4NE1/4SE1/4 of Block 148, South Timbalier Area, from the surface to 25,000' TVDSS	38.00000%	28.26468%
			NE1/4; N1/2NE1/4SE1/4; SE1/4NE1/4SE1/4; and NE1/4SE1/4SE1/4 of Block 148, South Timbalier Area, from 17,777' TVDSS to 99,999' TVDSS	38.00000%	28.26468%
South Timbalier 151	OCS-G 00463	5,000	All of Block 151, South Timbalier Area	98.00000%	72.67031% BPO 64.72909% APO
South Timbalier 152	OCS-G 00464	5,000	All of Block 152, South Timbalier Area	98.00000%	72.67031% BPO 64.72909% APO

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
South Timbalier 161	OCS-G 01248	4,765.62	All of Block 161, South Timbalier Area	98.00000%	72.89312%
			SW/4 NW/4 SW/4 of Block 161, South Timbalier Area, from the stratigraphic equivalent of a depth of 6,400 feet TVD, as measured in the OCS-G 1248 D-5 Well, down to and including the stratigraphic equivalent of 7,571 feet TVD, as measured in the OCS-G 1248 D-7 Well	73.00000%	46.99794%
			SW/4 SW/4; SE/4 NW/4 SW/4; SW/4 NE/4 SW/4; W/2 SE/4 SW/4 of Block 161, South Timbalier Area, from the surface down to and including the stratigraphic equivalent of 7,571 feet TVD, as measured in the OCS-G 1248 D-7 Well	73.00000%	46.99794%
			S/2 SW/4 NE/4; N/2 NW/4 SE/4 of Block 161, South Timbalier Area, INsofar AND ONLY INsofar as the lease covers depths from the surface of the earth down to a depth of 8,448 feet True Vertical Depth, being the deepest depth drilled in the OCS 01248 No. A10 ST3 Well, and its stratigraphic equivalent plus 100 feet	98.00000%	63.09312%
			S/2 NW/4 NE/4; N/2 SW/4 NE/4; SW/4 NE/4 NE/4; SE/4 NE/4; N/2 NE/4 SE/4 of Block 161, South Timbalier Area, INsofar AND ONLY INsofar as the Lease covers depths from the surface of the earth down to a depth of eleven thousand, six hundred, ninety-nine feet (11,699') True Vertical depth, being the deepest depth drilled in the OCS-G 01248 No. C-7 ST-1 Well, and its stratigraphic equivalent plus one hundred (100) feet	98.00000%	63.09312%
South Timbalier 177	OCS-G 01260	5,000	All of Block 177, South Timbalier Area	98.00000%	72.01840%
South Timbalier 188	OCS-G 01899	1,250	NW of Block 188, South Timbalier Area	98.00000%	72.89312%

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
South Timbalier 189	OCS-G 01572	3,750	All of Block 189, South Timbalier Area less and except the S2S2 of Block 189, South Timbalier Area from surface down to 18,544' TVD	98.00000%	72.89312%
Vermilion 71	OCS-G 21592	4,521.33	All of Block 71, Vermilion Area	98.00000%	68.95689%
Vermilion 72	OCS-G 27851	2,230.53	W1/2 of Block 72, Vermilion Area, INSOFAR AND ONLY INSOFAR as the lease covers depths from the surface to 11,900' subsea true vertical depth	96.00000%	71.40551%
Vermilion 325	OCS-G 36200	5,000	All of Block 325, Vermilion Area, South Addition	48.00000%	36.86332%
Vermilion 341	OCS-G 33607	5,000	All of Block 341, Vermilion Area, South Addition	48.00000%	26.29508%
Vermilion 342	OCS-G 33608	5,000	All of Block 342, Vermilion Area, South Addition	48.00000%	26.29508%
West Cameron 522	OCS-G 34033	5,000	All of Block 522, West Cameron Area, South Addition	98.00000%	69.23915%
West Cameron 543	OCS-G 12802	5,000	All of Block 543, West Cameron Area, South Addition except for well ownership below	98.00000%	68.78426%
			Existing wells	98.00000%	70.74426%
			Wells producing in 4700' Sand	98.00000%	69.76426%
West Cameron 544	OCS-G 14342	2,762.37	All of Block 544, West Cameron Area, South Addition except for well ownership below	98.00000%	68.36776%
			Existing wells	98.00000%	70.26897%
			Wells producing in 4700' Sand	98.00000%	69.39425%

Area/ Block	Lease	Acreage	Description/Depths	Warranted Working Interest	Warranted Net Revenue Interest
West Delta 117	OCS-G 35951	4999.97	All of Block 117, West Delta Area, South Addition	98.00000%	77.23625%
West Delta 118	OCS-G 36227	5,080.60	All of Block 118, West Delta Area, South Addition	98.00000%	83.17750%
West Delta 133	OCS-G 01106	2,499.99	South half (S/2) of Block 133, West Delta Area, South Addition limited as to those depths from the surface of the earth to the stratigraphic equivalent depth of 10,923' TVD, (being the total depth drilled in the Newfield Exploration Company - OCS-G 01106 No. F-1 Well, plus one hundred feet	58.00000%	
			OCS-G 1106 WD 133 F-1 and F-3 Wells	58.00000%	37.64166%
			OCS-G 1106 WD 133 F-2 Well	58.00000%	39.40492%
			OCS-G 1106 WD 133 F-4 Well	58.00000%	37.96393%
TBD	TBD	TBD	Any lease that is awarded to Arena Energy, LLC and/or Arena Exploration, LLC that is listed in the Final Notice of Sale in the Gulf of Mexico Region-wide Oil and Gas Lease Sale 256 scheduled to be held November 18, 2020	98.00000%	98.00000% less any BOEM royalty burden less any perpetual overriding royalty burden(s)

* With respect to each Lease on this Property Exhibit marked with an asterisk, there are certain aliquots and depth intervals within such Lease that have a slightly lesser Warranted Net Revenue Interest. As to each such Lease, insofar but only insofar as it covers the aliquots and depth intervals therein as described on Addendum 1 to this Property Exhibit, the stated Warranted Net Revenue Interest shall be reduced by five percent (5%) times the Warranted Working Interest shown for such Lease on this property Exhibit, and as so reduced, it shall be the "Warranted Net Revenue Interest" insofar as such Lease covers the aliquots and depth intervals therein described on Addendum 1.

Addendum No. 1 to Property Exhibit

Block Name	OCS Lease	Seller Entity	Prospect Name(s)	Aliquot(s) if Applicable	ORRI Depths At and Below (Feet TVDSS)
South Timbalier 36	OCS-G 02624	CUSA	Cascade ST	E2 NW/4 ; W/2 NE/4	17,000
Eugene Island 214	OCS-G 00977	CUSA	Nirvana A	SE/4 NW/4; W/2 SW/4 NE/4 ; W/2 W/2 SE/4	15,800
Eugene Island 229	OCS-G 05505	CUSA	Citra	N/2 NW/4; NW/4 NE/4	18,800
			Radiohead	N/2 N/2	18,700
Eugene Island 230	OCS-G 00979	CUSA	Beck	S/2 NW/4; N/2 SW/4; W/2 SW/4 NE/4; NW/4 SE/4	14,300
			Nirvana C	E/2 NE/4; E/2 SW/4 NE/4; N/2 NE/4 SE/4	15,800
			Star Valley	E/2 SE/4	14,000
Eugene Island 231	OCS-G 00980	CUSA	Nirvana A	NE/4; NE/4 SE/4	15,800
			Nirvana B	W/2 SE/4; SE/4 SE/4	16,500
			Nirvana C	N/2 SW/4; S/2 S/2 NW/4	15,800
			Star Valley	NW/4 SW/4; S/2 SW/4; SW/4 NE/4 SW/4; SW/4 SW/4 SE/4	14,000
Eugene Island 237	OCS-G 00981	CUSA	Star Valley	E/2 E/2 NE/4	14,000
Eugene Island 252	OCS-G 00983	CUSA	Saaz	S/2 SW/4; NW/4 SW/4	22,200
Eugene Island 275	OCS-G 24910	UNOCAL	Mt. Hood	N/2 NE/4	17,500
			Saaz	W/2; W/2 NE/4; NW/4 SE/4	22,200
Eugene Island 276	OCS-G 00989	UNOCAL	Incubus	S/2 NE/4; NE/4 SE/4; NE/4 NW/4 SE/4; N/2 SE/4 SE/4; SE/4 SE/4 SE/4	19,000
			Mt. Hood	N/2 NW/4	17,500

APPENDIX 1
CONVEYANCE SUPPLEMENT

[see attached pages]

APPENDIX 1

to

Term ORRI Conveyance dated effective October 1, 2020, from Arena Energy, LLC, et al., as Assignor, to Lime Rock Resources V-A, L.P., as Assignee

CONVEYANCE SUPPLEMENT

WHEREAS, by means of that certain Conveyance of Term Overriding Royalty Interest (the "**Conveyance**") to which this Conveyance Supplement is attached as Appendix 1, from the Assignor defined therein (referred to in this Conveyance Supplement as "**Arena**") to the Assignee defined therein (referred to in this Conveyance Supplement as ("**ORRI Owner**"), Arena has sold and conveyed to ORRI Owner the "**Term ORRI**" (as such term is defined in the Conveyance) in the Subject Interests described therein;

WHEREAS, Arena and ORRI Owner (the "**Parties**") intend that the Term ORRI constitutes a "production payment" as defined in Section 101(42A) of the Bankruptcy Code, and that the Term ORRI will be treated as a loan for U.S. federal income tax purposes as required under Section 636 of the Internal Revenue Code of 1986, as amended and for the purpose of any similarly calculated state income or franchise taxes (but for no other purposes); and

WHEREAS, the Parties have incorporated this Supplement into the Conveyance to set out certain agreements with respect to the operation of the Subject Interests and other terms and provisions relating to the Term ORRI.

NOW, THEREFORE, as a material inducement to cause ORRI Owner to purchase the Term ORRI and in consideration of the mutual benefits and obligations of the Parties under the Conveyance, ORRI Owner and Arena have agreed, and hereby agree, as follows:

I.

DEFINITIONS AND REFERENCES

1.1 **Defined Terms.** Reference is made to the Conveyance to which the Conveyance Supplement is attached as Appendix 1 and to the Purchase and Sale Agreement for the meaning of all capitalized terms defined therein, all of which will when used herein (unless otherwise expressly defined herein) have the meanings given them in the Conveyance or the Purchase and Sale Agreement. As used herein, the terms "**Supplement**" and "**Conveyance**" have the meanings given them above. For purposes of this Supplement, unless the context otherwise requires, the following terms have the following meanings:

"**AOL**" means Arena Offshore, LP, a Delaware limited partnership, which is the operator of the Subject Interests that Arena Energy either has the right to operate or to appoint the operator thereof.

"**Applicable Reimbursements**" shall include any amounts paid by ORRI Owner or deducted from Payments for or relating to (i) the costs, expenses, and liabilities incurred by ORRI Owner associated with acquiring, exploring, developing, drilling, redrilling, maintain, producing,

operating, reworking, repairing, recompleting, marketing, transporting to the Delivery Point or remediating, abandoning, plugging, and removing the Subject Interests, (ii) the costs, expenses, liabilities incurred by ORRI Owner associated with Imbalance Charges, (iii) the costs, expenses, and liabilities incurred by ORRI Owner associated with the collection or the defense of the Payments, Conveyance or Term ORRI, including attorney's fees, court costs and other costs of litigation and (iv) the costs, expenses, and liabilities incurred by ORRI Owner associated with a Performance Default, including attorney's fees, court costs, and other costs of litigation.

"Arena" has the meaning given to such term in the recitals of this Supplement, and its permitted successors and assigns hereunder.

"Arena Term ORRI Information" has the meaning given to such term in Section 7.1 of this Supplement.

"Company Engineers" means Ryder Scott Company, L.P., Netherland, Sewell and Associates, Inc. or Miller and Lents, Ltd. as Arena may designate from time to time as the Company Engineers for the purposes hereof.

"Downstream Contracts" means all contracts or arrangements to which Arena (or any Person acting on behalf of Arena) is a party that provide for or relate to the gathering, transportation, treatment, processing, marketing or sale of Subject Hydrocarbons.

"Environmental Laws" means all applicable Laws regulating or otherwise pertaining to (a) the use, generation, migration, storage, removal, treatment, remedy, discharge, release, transportation, disposal or cleanup of pollutants, contamination, hazardous wastes, hazardous substances, hazardous materials, toxic substances or toxic pollutants, (b) environmental matters involving the soil, surface waters, groundwater, land, stream sediments, surface or subsurface strata, ambient air and any other environmental medium on or off any Subject Interest, or (c) the environment or health and safety-related matters; including the following as from time to time amended and all others whether similar or dissimilar and whether now existing or hereinafter enacted: the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, the Resource Conservation and Recovery Act of 1976, as amended by the Used Oil Recycling Act of 1980, the Solid Waste Disposal Act amendments of 1980, and the Hazardous and Solid Waste Amendments of 1984, the Hazardous Materials Transportation Act, as amended, the Toxic Substance Control Act, as amended, the Clean Air Act, as amended, the Clean Water Act, as amended, and all regulations promulgated pursuant thereto.

"Event of Force Majeure" means any of the following:

1.1.1 physical events such as acts of God, landslides, lightning, earthquakes, fires, hurricanes, storms or storm warnings that result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to wells, equipment or lines of pipe;

1.1.2 weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells, equipment or lines of pipe;

1.1.3 interruption of firm transportation and/or storage by transporters of Hydrocarbons; and

1.1.4 orders of any court or governmental authority having jurisdiction (which in each case cannot be satisfied by actions taken with respect to wells other than Subject Wells, which actions do not violate other contractual duties of Arena), strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections, wars and similar acts of other Persons;

provided that (i) in order to be entitled to assert an Event of Force Majeure, (1) the affected Party must be making all reasonable efforts to mitigate the adverse impacts of any such event or occurrence, to resolve the event or occurrence once it has occurred, and to resume performance (provided that such Party will not be obligated to settle any strike or lockout) and (2) the asserted Event of Force Majeure must not be reasonably within the control of and must not be caused by the fault or negligence of the affected Party and must be the type of event which, by the exercise of reasonable diligence, the affected Party is unable to prevent; and (ii) no Party claiming an Event of Force Majeure will be excused from any responsibility to make cash payments that are due or become due during the period in which an Event of Force Majeure persists.

"Hazardous Substances" means any substances regulated under any Environmental Law, whether as pollutants, contaminants, or chemicals, or as industrial, toxic or hazardous substances or wastes, or otherwise, including any asbestos or asbestos-containing materials, any naturally occurring radioactive materials, and any hydrocarbons or other substances that are released into the environment.

"Imbalance Charges" means any fees, penalties, costs or charges (in cash or in kind, and whether or not denominated as price adjustments or as prices for spot sales in place of prices for nominated production) that are incurred, payable or suffered by ORRI Owner to any Person in connection with any imbalance between the amount of Term ORRI Hydrocarbons delivered at the Delivery Points and the amounts of nominated sales thereof or transportation, gathering or processing capacity scheduled or available therefor, or that are otherwise assessed against ORRI Owner by a transporter or purchaser for failure to meet such Person's balance, delivery or nomination requirements. Interest and penalties owing with respect to Imbalance Charges will also constitute Imbalance Charges.

"Indicative ROFO Price" has the meaning given to such term in Section 4.1.

"Invested Capital" means the Purchase Price (as defined in the Purchase and Sale Agreement) paid by ORRI Owner to Arena pursuant to the Purchase and Sale Agreement.

"NYMEX Strip Prices" means, as calculated for any Day, the arithmetic average of the settlement prices (per Barrel of Oil or MMBtu of Gas) on such Day of the applicable futures contract traded on the New York Mercantile Exchange for the first thirty-six Months after such Day. The NYMEX Strip Price for Oil will be the average of such prices for the West Texas Intermediate Crude Oil Futures Contract for Cushing, Oklahoma Delivery that is traded on such exchange, and the NYMEX Strip Price for Gas will be the average of such prices for the Natural Gas Futures Contract for Henry Hub Delivery that is traded on such exchange.

"ORRI Owner" has the meaning given to such term in the preamble of this Supplement, and its successors and permitted assigns hereunder.

"ORRI Threshold" means that ORRI Owner has received all Applicable Reimbursements and has achieved both the (i) Return on Invested Capital Threshold and (ii) the IRR Threshold. The Return on Invested Capital Threshold shall be achieved when the ORRI Owner has received cumulative Payments with respect to the Term ORRI of at least two times (2.0x) the ORRI Owner's Invested Capital. The IRR Threshold shall be achieved when the ORRI Owner has reached an internal rate of return of at least 15% on Invested Capital from Payments with respect to the Term ORRI. For Purposes of computing the IRR Threshold, the Parties shall use the XIRR function in the most recent version of Microsoft Excel, including upgrades to such program, where "Values" is an array of values with Invested Capital being negative values and all Payments with respect to the Term ORRI are positive, using the date on which such Invested Capital or Payments occur. If Microsoft Excel is no longer available, an equivalent function in another software package shall be used; if no such software package is available, the foregoing formula shall be adjusted as necessary so as to achieve an equivalent result.

"Parties" means Arena and ORRI Owner.

"Payments" mean the net cash amounts actually received by ORRI Owner pursuant to the terms and provisions of the Term ORRI.

"Performance Default" means any of the following: (a) any failure by Arena to pay any money owing or belonging to ORRI Owner that continues unremedied for more than thirty (30) days after written notice thereof is delivered to Arena by ORRI Owner; (b) any breach by Arena of any covenant or agreement made by Arena herein, the Conveyance or the Purchase and Sale Agreement that continues unremedied for 30 days following written notice thereof being delivered to Arena by ORRI Owner; (c) the commencement of a voluntary case by Arena under the United States Bankruptcy Code, or Arena's application for or consent to any order for relief in any involuntary case filed under such code; (d) the commencement of any involuntary case against Arena under such code that is not dismissed within 30 days after filing; and (e) the appointment or taking possession of a receiver, liquidator, custodian, trustee, keeper or similar official of any of the Subject Interests which either (i) is not made ineffective or discharged within 30 days thereafter or (ii) is requested, consented to or acquiesced to by Arena.

"Purchase and Sale Agreement" means the Purchase and Sale Agreement dated October 1, 2020, between Arena and ORRI Owner, under which Arena has agreed to sell and ORRI Owner has agreed to purchase the Term ORRI.

"Reserve Report" means any annual or semiannual reserve engineering report prepared by Company Engineers with respect to the Subject Interests. Each Reserve Report will be in form and detail acceptable to ORRI Owner and will set forth the following:

- (a) an estimation of the Oil and Gas reserves, classified by appropriate categories, as of such date attributable to the various Subject Interests,
- (b) a projection of the future production of, and net revenue from, such reserves,

(c) a calculation of the present worth of such net revenue discounted at the rate of ten percent per annum, and

(d) a schedule or description of the principal assumptions, estimates and projections made or used in the preparation of such report, including estimated future product prices, capital expenditures, operating expenses and taxes.

Each such report will be prepared in accordance with customary and generally accepted standards and practices for independent professional petroleum engineers and will be based on the NYMEX Strip Prices on the effective date of such report.

"Retained Interest Hydrocarbons" means the Subject Hydrocarbons other than the Term ORRI Hydrocarbons.

"ROFO Interests" has the meaning given to such term in Section 4.1.

"ROFO Notice" has the meaning given to such term in Section 4.1.

"Tag Along Transaction" has the meaning given to such term in Section 5.1.

"Term ORRI Documents" means this Supplement, the Conveyance, the Purchase and Sale Agreement and each other agreement, instrument, certificate or other document at any time made or given by Arena with or to ORRI Owner in connection with this Supplement, the Conveyance and the Purchase and Sale Agreement, including all supplements and amendments to and restatements of any of the foregoing.

"Upstream Contracts" means all joint operating agreements, unit operating agreements, facilities leases or use agreements, water agreements (whether relating to water injection, supply, transportation or disposal), or other agreements or arrangements to which Arena (or any Person acting on behalf of Arena) is a party that provide for or relate to the operation of the Subject Interests or the production of Hydrocarbons therefrom.

1.2 Rules of Construction; Publications.

1.2.1 **Construction.** All references in this Supplement to articles, sections, subsections and other subdivisions refer to corresponding articles, sections, subsections and other subdivisions of this Supplement unless expressly provided otherwise. Titles appearing at the beginning of any of such subdivisions are for convenience only and will not constitute part of such subdivisions and will be disregarded in construing the language contained in such subdivisions. The words ***"this Supplement"***, ***"this instrument"***, ***"herein"***, ***"hereof"***, ***"hereby"***, ***"hereunder"*** and words of similar import refer to this Supplement as a whole and not to any particular subdivision unless expressly so limited. Unless the context otherwise requires: ***"including"*** (and its grammatical variations) means ***"including without limitation"***; ***"or"*** is not exclusive; words in the singular form will be construed to include the plural and vice versa; words in any gender include all other genders; references herein to the Conveyance, the Purchase and Sale Agreement, or any other instrument or agreement refer to such instrument or agreement as it may be from time to time supplemented, amended or restated; and references herein to any Person include

such Person's successors and assigns. All references in this Supplement to exhibits and schedules refer to the exhibits and schedules to this Supplement unless expressly provided otherwise, and all such exhibits and schedules are hereby incorporated herein by reference and made a part hereof for all purposes. This Supplement has been drafted with the joint participation of Arena and ORRI Owner and is to be construed neither against nor in favor of either Party but rather in accordance with the fair meaning hereof.

1.2.2 Publications. To the extent that this Supplement (or any other Term ORRI Document other than the Conveyance) incorporates information from a specific source or publication and that source or publication temporarily fails or permanently ceases to publish such information, or ceases publication altogether, or changes the heading or format under which such information is published, or changes the source of information which it publishes under such heading or format, and in any such case the relevant Term ORRI Document does not specify how to deal with such event, then Arena will designate a reasonable alternative source for the same or equivalent information, subject to ORRI Owner's approval which will not be unreasonably withheld or delayed, and the Parties will thereafter use such designated alternative source.

II.

PRODUCTION OF SUBJECT INTERESTS; COVENANTS

2.1 General Operating Requirements. At all times from the date hereof until the termination of the Term ORRI, and whether or not Arena is the operator of the relevant Subject Interests, Arena, at Arena's cost and expense, will:

2.1.1 Cause the Subject Interests to be maintained, developed, protected against drainage, and continuously operated for the production of Hydrocarbons in a good and workmanlike manner and drill such additional wells as would a reasonably prudent operator (and without regard to the burden of the Term ORRI), all in accordance with generally accepted industry practices, applicable Upstream Contracts, the Leases, and all applicable Laws, and will otherwise comply in all material respects with all applicable Laws, the Leases, applicable Upstream Contracts and all other contracts or agreements forming a part of or related to the Subject Interests.

2.1.2 Pay, or cause to be paid, as and when due and payable, all rentals, royalties, Taxes and other amounts payable in respect of the Subject Interests or the production therefrom, which continue in force and effect, and all material costs, expenses, capital expenditures and liabilities incurred in or arising from the operation, maintenance or development of the Subject Interests, or the producing, treating, gathering, storing, marketing or transporting of Hydrocarbons therefrom at or prior to the Delivery Points (except, in each case, to the extent contested in good faith by appropriate proceedings that effectively delay any remedy for non-payment thereof), provided that nothing herein shall be construed to require Arena to maintain, or cause to be maintained, in force and effect any Subject Interest that it determines, as a reasonably prudent operator, should be relinquished or allowed to lapse or terminate.

2.1.3 Cause all Subject Wells, machinery, equipment and facilities of any kind now or hereafter necessary or useful in the operation of such Subject Wells (as well as all separation, metering and related facilities that are located at or prior to each Delivery Point and all related wells for the supply, disposal of water, to the extent owned or operated by Arena or its Affiliates) to be maintained and kept in good and effective operating condition, reasonable wear and tear excepted, as would a reasonably prudent operator (and without regard to the burden of the Term ORRI).

2.1.4 Give or cause to be given to ORRI Owner notice of every adverse claim or demand made by any Person affecting the Subject Interests, the Hydrocarbons produced therefrom, the Term ORRI or the Term ORRI Hydrocarbons in any manner whatsoever that could reasonably be construed to have a material adverse effect on the ownership or value of the Term ORRI or the Term ORRI Hydrocarbons, and of any suit or other legal proceeding instituted with respect thereto, and at Arena's expense cause all necessary and proper steps to be taken with reasonable diligence to protect and defend the Subject Interests, the Subject Hydrocarbons produced therefrom, the Term ORRI and the Term ORRI Hydrocarbons against any such adverse claim or demand, including the employment of counsel for the prosecution or defense of litigation and the contest, release or discharge of such adverse claim or demand.

2.1.5 Cause the Subject Interests to be kept free and clear of liens, charges and encumbrances of every character, other than the Permitted Encumbrances.

2.1.6 Except to the extent contested in good faith by appropriate proceedings that effectively delay any remedy for non-payment thereof, pay all Taxes when due and before they become delinquent (and provide ORRI Owner with proof of such payment upon request).

2.1.7 Maintain or cause to be maintained in full force and effect all permits, licenses, easements, servitudes, contracts and other rights reasonably necessary or useful in connection with the development, operation or management of the Subject Interests and the production, treating, gathering, storing, marketing or transportation of the Subject Hydrocarbons or of water produced or used in connection therewith as would a reasonably prudent operator.

2.1.8 Not cause or consent to the resignation of AOL as operator (or otherwise permit AOL to voluntarily relinquish such position) of any of the Subject Interests that Arena has the right to operate or appoint the operator thereof, until and unless the successor operator is an Affiliate of Arena or has been approved in writing by ORRI Owner. Notwithstanding the preceding sentence, but subject to any other express limitations or covenants set forth in this Agreement, Arena shall have the right to enter into, with third parties, operating agreements, farm-in agreements, farm-out agreements, development agreements, participation agreements, unitization agreements, joint bidding agreements, service contracts and other similar agreements pertaining to the Subject Interests, pursuant to which a third party not affiliated with Arena may become operator of certain Subject Interests without the approval of ORRI Owner, provided that: (i) at no time shall Subject Interests comprising more than ten percent (10%) of the proved reserves attributable to all

assets of Arena that are encumbered by the Term ORRI be operated by such third parties who were not approved as operator by ORRI Owner, and (ii) Arena shall remain responsible to ORRI Owner for any failure by such third party operator to comply with the terms of this Agreement with respect to the Subject Interests operated by such third party.

2.1.9 Measure all Subject Hydrocarbons, and determine the MMBtu content thereof, in accordance with the terms of the Conveyance.

Whenever AOL is not the operator of a Subject Interest, Arena will use its commercially reasonable efforts to enforce its rights under any applicable operating agreement pertaining to such Subject Interest in order to cause such Subject Interest to be operated and dealt with as would a reasonably prudent operator.

2.2 Rates of Production. Arena will cause the Subject Interests and Subject Wells operated by AOL to be operated and produced in accordance with a reasonably prudent operator standard.

2.3 Environmental Compliance. Arena will act as a reasonably prudent operator to avoid: (a) causing or permitting the Subject Lands or the condition thereof or operations thereon to be in violation of any Environmental Laws in any material respect, (b) cause or permit the disposal or other release of any Hazardous Substance on or to the Subject Lands in violation of any Environmental Law in any material respect, (c) failing to timely remove or remediate any Hazardous Substance which has been or now or hereafter is released on the Subject Lands in amounts which would violate any Environmental Laws in any material respect, or (d) taking or omitting to take any action that will subject Arena or the Subject Lands to any material remedial obligation (or ORRI Owner to any remedial obligation) under any Environmental Laws pertaining to the Subject Lands, assuming in each case disclosure to the applicable governmental authorities of all relevant facts, conditions and circumstances, if any. Arena will promptly notify ORRI Owner in writing of any existing, pending or, to the best knowledge of Arena, threatened investigation or inquiry of a material nature affecting any Subject Lands by any private party or governmental authority in connection with any Environmental Laws. Arena will take all steps that would be taken by a reasonably prudent operator to determine that no Hazardous Substances are disposed of or otherwise released or being released on or to the Subject Lands in violation of any Environmental Laws.

2.4 Insurance; Damage or Loss.

2.4.1 Insurance. Arena will maintain or cause to be maintained, at Arena's sole cost and expense, insurance on the Subject Interests in accordance with past practices, including the insurance set forth in Section 3.1(u) of the Disclosure Schedule to the Purchase and Sale Agreement. Arena will furnish certificates of such insurance to ORRI Owner upon written request thereof.

2.4.2 Repair. In the event of any damage to or loss of any platform, pipeline, well, equipment or facility on the Subject Lands or otherwise owned by Arena and used in connection with the operation of any Subject Interest or the production of Subject Hydrocarbons, or the balancing, treating, gathering, transporting, tender, processing or other handling of Subject Hydrocarbons, or the marketing, sale or transfer of Subject

Hydrocarbons, Arena (at no cost to ORRI Owner and without regard to whether insurance proceeds are available to Arena) will promptly carry out or cause to be carried out the redrill, rebuild, reconstruct, repair, restore or replace such damaged or destroyed property as would a reasonably prudent operator.

2.5 Continued Ability to Operate. Arena will at all times be a limited partnership, limited liability company, or corporation that is validly existing and in good standing under the Laws of its state of formation and duly qualified to do business and in good standing in each jurisdiction where any Subject Lands are located. Arena (and any Person operating the Subject Interest on its behalf) will at all times obtain and possess (or cause to be obtained and possessed) all consents, bonds, permits, licenses, right-of-ways, easements, authorizations and waivers reasonably necessary under any applicable Law or any Lease or material contract, indenture, instrument or agreement binding on or affecting Arena or the Subject Interests in order to permit the performance by Arena of the Term ORRI Documents.

2.6 Defense of Supplement and Term ORRI. If any Person (including Arena or its Affiliates but excluding ORRI Owner and its Affiliates) ever challenges or attacks (a) the validity or priority of the Term ORRI Documents or of any rights, titles or interests of ORRI Owner that are created or evidenced thereby or (b) the title of Arena to any Subject Interest or of ORRI Owner to any part of the Term ORRI, then upon learning thereof Arena will give prompt written notice thereof to ORRI Owner and at Arena's own cost and expense will diligently endeavor to defeat such challenge or attack and to cure any defect that may be developed or claimed, and Arena will take all reasonable steps for the defense of any legal proceedings with respect thereto, including the employment of counsel to represent Arena, the prosecution or defense of litigation, and the release or discharge of all adverse claims. ORRI Owner is hereby authorized and empowered to take such additional steps as in its judgment and discretion may be necessary or proper for the defense of any such legal proceedings or the protection of the validity or priority of the Term ORRI Documents and the rights, titles, and interests created or evidenced thereby, including the employment of independent counsel to represent ORRI Owner, the prosecution or defense of litigation, the compromise or discharge of any adverse claims made with respect to the Term ORRI, the removal of prior liens or security interests, and all reasonable and related expenditures so made of every kind and character will be paid to ORRI Owner by Arena on demand.

2.7 Further Assurances. Arena will, on request of ORRI Owner, (a) promptly correct any defect, error or omission which may be discovered in the contents, execution or acknowledgment of any Term ORRI Document, (b) execute, acknowledge, deliver and record or file such further instruments and do such further acts as may be necessary, desirable or proper, in the reasonable judgment of ORRI Owner, to carry out more effectively the purposes of the Term ORRI Documents and to more fully identify and make subject to the Term ORRI Documents any property intended to be covered thereby, including any renewals, additions, substitutions, replacements, or appurtenances to the Subject Interests; and (c) execute, acknowledge, deliver, and file or record any document or instrument reasonably requested by ORRI Owner to protect its rights, title and interests under the Term ORRI Documents against the rights or interests of third Persons. Arena will provide to ORRI Owner any assurances of title to the Subject Interests which ORRI Owner may from time to time reasonably request concerning the Term ORRI, including the recording and filing of the Conveyance (it being understood that no title deficiencies learned of by ORRI Owner will in any way be deemed

to qualify any of Arena's warranties of title or indemnities with respect to title in any Term ORRI Document).

2.8 Performance of Term ORRI Documents. Arena will, at its sole cost and expense, perform all of its covenants and other obligations under this Supplement and the other Term ORRI Documents, as and when provided therein and herein.

2.9 Audit and Inspection Rights. ORRI Owner will have the right from time to time to audit the books and records of Arena with respect to the Subject Interests and the Subject Hydrocarbons, including all information with respect to the matters to be reported on by Arena as provided herein. Such audits will be conducted by ORRI Owner so as to result in a minimum disruption in the ongoing business and affairs of Arena and will be conducted during normal business hours at Arena's offices or at the offices where Arena maintains the records relating to the items set forth above.

III.

ORRI THRESHOLD

3.1 ORRI Threshold. Upon the ORRI Owner, and any subsequent transferee of the Term ORRI, collectively receiving cumulative Payments with respect to the Term ORRI resulting in it achieving the ORRI Threshold, then the Term ORRI shall be terminated.

IV.

RIGHT OF FIRST OFFER

4.1 Terms of Right of First Offer. For so long as the ORRI Owner holds any portion of the Term ORRI, the ORRI Owner may by notice (the "**ROFO Notice**") propose to sell, assign or otherwise transfer any portion of the Term ORRI in a written notice to Arena (such portion of the Term ORRI, the "**ROFO Interests**"). Upon receipt of such ROFO Notice, Arena will have twenty (20) days to propose the price it would be willing to pay for the purchase, assignment or transfer to Arena (the "**Indicative ROFO Price**") of the ROFO Interests. Upon receipt of such Indicative ROFO Price, ORRI Owner will have twenty (20) days to accept or reject the Indicative ROFO Price. If, following Arena's timely exercise of the offer set forth in the ROFO Notice, Arena, on the one hand, and ORRI Owner, on the other hand, are unable to reach agreement on price or definitive terms and close such transaction within sixty (60) days of Arena's exercise of the offer, or if Arena does not submit a timely Indicative ROFO Price to ORRI Owner, then ORRI Owner may market the ROFO Interests to third parties; *provided that* (i) such transaction with a third party is closed within one hundred eighty (180) days after Arena's receipt of the ROFO notice, and (ii) if Arena timely submitted to ORRI Owner an Indicative ROFO Price, the price of such transaction is no less than ninety five percent (95%) of the Indicative ROFO Price. For the avoidance of doubt, all of the terms of this Section 4.1 shall apply to any transferee of ORRI Owner with respect to any portion or all of the Term ORRI.

V.
ORRI OWNER CO-SALE RIGHTS

5.1 **Co-Sale Right.** If Arena proposes to sell any assets having proved reserves (as defined in the Reserve Report) representing a value of greater than ten percent (10%) of the proved reserves attributable to all assets of Arena encumbered by the Term ORRI (as shown on the then-current Reserve Report), then ORRI Owner will have the option to elect to have its corresponding Term ORRI marketed alongside the proposed transaction by Arena (each, a "***Tag Along Transaction***"). If the purchaser in the Tag Along Transaction and ORRI Owner agree on the terms for such Tag Along Transaction, then ORRI Owner and such purchaser will enter into a definitive agreement on the same terms as those parties mutually agree.

VI.
HEDGING

6.1 **Hedging.**

6.1.1 Subsequent to the Closing, ORRI Owner may enter into or, at ORRI Owner's expense, request that Arena enter into, hedge transactions with respect to the Term ORRI; *provided* that any proceeds received or unrealized gains or losses from such hedge transactions will not be counted when determining whether the ORRI Threshold has been achieved.

VII.
INFORMATION RIGHTS

7.1 **Information Rights.** Arena shall furnish to ORRI Owner the following information (the "***Arena Term ORRI Information***"); *provided, however*, that the right to receive such Arena Term ORRI Information shall not be assignable to any transferee of ORRI Owner:

7.1.1 Semi-annually, an accounting of payout amounts pertaining to the Term ORRI and estimated remaining amounts before achieving the Threshold.

7.1.2 Semi-annually, a third party reserve report prepared by Company Engineers documenting and estimating the proven reserve pertaining to the Term ORRI. This shall be the April 1 and October 1 Reserve Reports for each year to be delivered by the effective date of each such reserve report.

7.1.3 A "wild card" third party reserve report prepared by Arena and Company Engineers documenting and estimating the proven reserves pertaining to the Term ORRI to be delivered within 60 days of the request.

VIII.
REMEDIES

8.1 **Other Term ORRI Documents.** The Conveyance is the grant of a mineral interest and, therefore, a real right interest in the Subject Interests and the Subject Hydrocarbons, pursuant to which ORRI Owner will own and possess the Term ORRI Hydrocarbons if, as and when

produced. ORRI Owner will look solely to the Term ORRI Hydrocarbons for satisfaction and discharge of the Term ORRI, and Arena will not be personally liable for such satisfaction and discharge.

IX. MISCELLANEOUS

9.1 **Acknowledgments and Admissions.** Arena hereby represents, warrants, agrees, acknowledges and admits that ORRI Owner is not a fiduciary or an advisor for Arena with respect to any Term ORRI Document or the transactions contemplated thereby and that no partnership or joint venture exists with respect to the Term ORRI Documents between Arena and ORRI Owner.

9.2 **Entire Agreement; Amendments; Waiver.** This Supplement and the other Term ORRI Documents constitute the entire agreement between the Parties. This Supplement may not be amended or modified, and no rights hereunder may be waived, except by a written document signed by the Party to be charged with such amendment, modification or waiver. Provisions of this Supplement that refer to any consent, approval, amendment or waiver by either Party require such consent, approval, amendment or waiver to be in writing. No waiver of any of the provisions of this Supplement will be deemed to be or will constitute a waiver of any other provisions hereof (whether or not similar), nor will such waiver constitute a continuing waiver unless otherwise expressly provided.

**THIS WRITTEN AGREEMENT AND THE OTHER TERM ORRI DOCUMENTS
REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT
BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR
SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.**

**THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE
PARTIES.**

9.3 **Severability.** If any term or provision of this Supplement or any other Term ORRI Document is ever determined to be illegal or unenforceable to any extent, such term or provision will otherwise remain effective and be enforced, and all other terms and provisions of the hereof or thereof will nevertheless remain effective and will be enforced, to the fullest extent permitted by applicable Law.

9.4 **Termination; Limited Survival.** Upon both (i) the termination of the Term ORRI as provided in the Conveyance and (ii) the full and complete payment and performance of all obligations and duties of Arena under this Supplement and the other Term ORRI Documents, Arena will be entitled to request and receive the release by ORRI Owner of the Term ORRI. Notwithstanding the foregoing or anything to the contrary herein or in any other Term ORRI Document, the following will survive any termination of the Term ORRI, this Supplement, or any other Term ORRI Document: (a) all waivers or admissions made by Arena herein or therein, and (b) all other provisions hereof or thereof that are expressly stated to survive the termination of the Term ORRI or of this Supplement, the Conveyance, or any other Term ORRI Document.